



January 7, 2000

Kimberly Leathley  
[Bonneville Power Administration](#)  
PO Box 12999  
Portland, OR 97232

Re: Proposed Increase in, and Allocation of, Residential Exchange Benefits

Dear Ms. Leathley:

Thank you for the opportunity to comment on the document "Proposed Increase to Residential Exchange Settlement Benefits and Allocation of Residential Exchange Settlement Benefits among Pacific Northwest Investor Owner-Owned Utilities." We strongly support both the proposed increase of 100 aMW and the proposed allocation among the investor owned utilities.

The Washington Department of Community, Trade and Economic Development has consistently supported the overall subscription process. We commented favorably on the original 1998 Subscription Strategy and we believe that subsequent iterations have remained well within the spirit of the original and have, on the whole, earned our support. Similarly, we believe that the proposed residential exchange settlement is an essential component of a successful subscription package.

We strongly support increasing the amount of the Exchange Settlement to 1900 aMW for the FY2002-FY2006 period. Doing so will have the important and significant effect of cementing regional support of the entire subscription process by better implementing the first goal of the Subscription Strategy, spreading the benefits of the Federal Columbia River Power System as broadly as possible. We also support the recommendations of the Four State Commissions on how to allocate the 1900 aMW of power and/or financial benefits. We think their allocation, which you have provisionally adopted, does an excellent job of establishing access to a level of benefits that recognizes changed market conditions while at the same time addressing the needs and issues important to each of the four states.

Although it is not directly addressed in the paper at hand, we think it is essential that Bonneville find some way through the 9c/5b thicket so that IOUs can get power for their residential ratepayers without their allocation being affected by changes in commercial and industrial loads. Commission members, and others, especially in Oregon, believe, rightfully, that the Exchange Settlement acknowledges their belief that the Northwest Power Planning Act of 1980 confers an entitlement to Federal power on behalf of residential customers of IOUs. For the sake of regional harmony, we believe it is necessary that Bonneville act in that spirit and find some way within current law to deliver at least 1,000 aMW to the residential customers of IOUs.

Thank you for providing the opportunity to comment. We continue to support your efforts to bring Subscription to a successful conclusion.

Sincerely,

Tony Usibelli  
Acting Assistant Director  
Energy Division

cc: Cindy Custer, BPA  
Dave Danner, WA State Office of Financial Management, Executive Policy Office